

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

IN RE ELECTRONIC BOOKS ANTITRUST  
LITIGATION

No. 11-md-02293 (DLC)  
ECF Case

This Document Relates to:

THE STATE OF TEXAS, et al.,

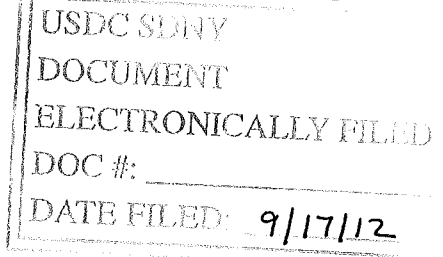
Plaintiffs,

v.

HACHETTE BOOK GROUP, INC., et al.,

Defendants.

Civil Action No. 12-cv-6625 (DLC)



**[CORRECTED] ORDER PRELIMINARILY APPROVING PROPOSED SETTLEMENTS**

The States, Commonwealths and Territories of Texas, Connecticut, Ohio, Alabama, Alaska, American Samoa, Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Northern Mariana Islands, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, Virgin Islands, Washington, West Virginia, Wisconsin, and Wyoming, together with the District of Columbia ("Plaintiff States"), and HarperCollins Publishers, L.L.C., Hachette Book Group, Inc., Simon & Schuster, Inc. and Simon & Schuster Digital Sales, Inc. (collectively "Defendants"), entered into Settlement Agreements dated June 11,

2012. These Settlement Agreements have been presented to the Court for Preliminary Approval pursuant Sections 4C and 16 of the Clayton Act, 15 U.S.C. §15c and §26.

Upon review and consideration of these Settlement Agreements, the Plaintiff States' Notice of Motion and Plaintiff States' Memorandum in Support of Motion for Preliminary Approval of Settlements and Proposed Notice and Distribution Plans ("States' Memorandum in Support of Motion"), and the attachments thereto, all of which have been filed with the Court, and for good cause appearing therein;

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** as follows:

**GENERAL FINDINGS**

1. The Court has jurisdiction over this action and each of the Parties.
2. The Court, for purposes of this Order, adopts the definitions set forth in the Settlement Agreements.
3. The Court, for purposes of this Order, finds that the Attorneys General are representatives of natural persons in the Plaintiff States and have authority to settle and release the Claims of the natural persons who are eligible Consumers in the Plaintiff States.
4. The Court, for purposes relating to the Settlement Agreements, confirms the Attorneys General of the States of Texas, Connecticut and Ohio as Liaison Counsel for the Plaintiff States.
5. The Court confirms the appointment of Fifth Third Bank as Escrow Agent, and Kinsella Communications and Rust Consulting as the Notice and Claims Administrators for purposes of the implementation of the Settlements.

**PRELIMINARY APPROVAL OF SETTLEMENTS AND PROPOSED DISTRIBUTION PLAN**

6. The Court finds that these Settlement Agreements appear to be the product of serious, informed, non-collusive negotiations, have no obvious deficiencies, and fall within the range of possible approval.

7. The Court finds that the settlements encompassed by the Settlement Agreements (the “Settlements”), including the proposed methods of distribution and allocation of the monies paid in settlement of these actions as outlined in the Settlement Agreements and in the Distribution Plan, attached as Appendices A, B, C & F to States’ Memorandum in Support of Motion, are entitled to preliminary approval.

8. The Court finds the Settlements satisfy the requirements of 15 U.S.C. §15c and due process.

9. The terms of the Settlement Agreements and the Distribution Plan are hereby preliminarily approved and notice of them shall be given as provided in this Order.

**NOTICE OF SETTLEMENT**

10. The Court finds that the form and content of the proposed Notice Plan (the “Notice”), attached to this Order as Attachment A, are in full compliance with the requirements of 15 U.S.C. §15c and satisfy due process. The Court further finds that the Notice provides to the eligible Consumers in Plaintiff States sufficient information to make informed and meaningful decisions regarding their options in this litigation and the effect of these Settlements on their rights and is the best practicable method of notice under the circumstances. The Court approves the Notice Plan and approves the distribution of the various emails, and publication notices, in

substantially the same form as included in the Notice Plan.

11. The Court finds that the proposed sixty (60) day Notice Period is adequate for eligible Consumers in Plaintiff States to exercise their right to object to the proposed Settlements or to exclude themselves from the proposed Settlements. The Notice Period shall begin thirty (30) days after the entry of this Preliminary Approval Order, and end sixty (60) days thereafter. The Court further finds that a ninety (90) day period after the entry of this Preliminary Order for consumers to submit electronic or paper claims, elect whether to select a check instead of a credit, and submit requests for exclusions or objections, is fair and adequate.

12. As soon as practicable after entry of this Order, but no later than 30 days after the date of entry hereof, Liaison Counsel for Plaintiff States shall cause notice to be disseminated to the eligible Consumers in the Plaintiff States in accordance with the Notice Plan and the terms of this Order. Prior to the Fairness Hearing, Liaison Counsel shall serve and file sworn statements attesting to compliance with the Notice Plan.

13. The Court approves the expenditure of actual notice and administrative costs reasonably incurred in the amount and manner and to the extent provided for in Paragraphs IV, V and VI of the Settlement Agreements, for the purpose of providing Notices to eligible Consumers in Plaintiff States in accordance with the Notice Plan and to administer the Distribution Plan. The Escrow Agent is directed to pay such costs as they have been or are hereafter reasonably incurred upon Written Direction, as provided in the Settlement Agreements and Escrow Agreement.

**REQUESTS FOR EXCLUSION**

14. All eligible Consumers in Plaintiff States who submit valid and timely requests for exclusion from the Settlements during the Notice Period pursuant to, and complying with, instructions contained in the Notice, shall not have any rights under the Settlement Agreements and shall not be bound by the Settlement Agreements or the final judgment.

15. All eligible Consumers in Plaintiff States who do not submit valid and timely requests for exclusion from the Settlements during the Notice Period pursuant to, and complying with, instructions contained in the Notice shall be bound by the Settlement Agreements and by the final judgment, in the event that the Settlement Agreements are finally approved by the Court.

**THE FAIRNESS HEARING**

16. A hearing on final settlement approval (the "Fairness Hearing") is hereby scheduled to be held before the undersigned on February 8, 2013 at 10:00 a.m. Eastern Standard Time in Courtroom No. 15B, United States Courthouse, 500 Pearl Street, New York, NY, 10007-1312 to consider the fairness, reasonableness and adequacy of the Settlements, the dismissal with prejudice of this action as to the Defendants, and the entry of final judgment in this action.

17. Any eligible Consumer in the Plaintiff States who has not previously filed a request for exclusion from all three Settlements may appear at the Fairness Hearing in person or by counsel and may be heard, to the extent allowed by the Court, either in support of or in opposition to the fairness, reasonableness and adequacy of the Settlements, the dismissal with prejudice of this action as to the Defendants and/or the entry of final judgment. Provided, however, no person

shall be heard in opposition to the Settlements, dismissal and/or entry of final judgment and no papers or briefs submitted by or on behalf of any such person shall be accepted or considered by the Court, unless on or before December 12, 2012 such person: (a) files with the Clerk of Court a notice of such person's intention to appear as well as a statement that indicates the basis for such person's opposition to the Settlements, the dismissal of claims and/or the entry of final judgment and any documentation in support of such opposition, and (b) serves a copy of such notice, statement and documentation, as well as any other papers or briefs that such person files with the Court, either in person or by mail, upon the Claims Administrator at: E-books AG Settlements Objections, P.O. Box 2825, Faribault, MN 55021-8630.

18. Any eligible Consumer in the Plaintiff States who does not file, and serve as required, an objection within the Notice Period in the manner provided in the Notice and this Order shall be deemed to have waived any such objection by appeal, collateral attack or otherwise.

19. The date and time of the Fairness Hearing shall be set forth in the Notices, but shall be subject to adjournment by the Court without further notice to eligible Consumers in Plaintiff States other than that which may be posted by the Court.

20. The Parties shall file with the Court any pleadings or memoranda in support of the Settlements and Settlement Agreements at least ten (10) calendar days before the Fairness Hearing.

#### **CONFIDENTIALITY**

21. No information received by the Notice and Claims Administrator in connection with the Settlements that pertains to a particular eligible Consumer, other than information

contained in a request for exclusion or in an objection, shall be disclosed to any person or entity other than as directed by the Court.

**OTHER PROVISIONS**

22. These Settlement Agreements, subject to this Court's final approval, fully and finally compromise, settle and resolve the Plaintiff States' claims subject to the terms and conditions set forth in the Settlement Agreements.

23. All discovery and other pretrial proceedings in this action are hereby stayed pending the Effective Date of the Settlements as defined in the Settlement Agreements, except such proceedings as may be necessary to implement the terms of the Settlement Agreements.

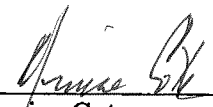
24. If the Settlement Agreements are terminated or otherwise do not become effective in accordance with the provisions of the Settlement Agreements, the Settlements and all proceedings had in connection therewith shall be null and void, except insofar as expressly provided to the contrary in the Settlement Agreements, and without prejudice to the *status quo ante* rights of the Plaintiff States and the Defendants.

25. Neither this Order nor the Settlement Agreements shall constitute any evidence or admission of liability by Defendants nor shall they be offered in evidence in this or any other proceeding except to consummate or enforce the Settlement Agreements or the terms of this Order,

or by Defendants in connection with any action asserting claims that are released by the terms of the Settlement Agreements.

SO ORDERED:

Dated: New York, New York  
September 17, 2012

  
\_\_\_\_\_  
Hon. Denise Cote  
United States District Judge



# ATTACHMENT A

## NOTICE PLAN

(with Exhibits revised as of 9/13/12)



## **NOTICE PLAN**

*State of Texas, et al. v. Hachette Book Group, et al.*

U.S. District Court for the Southern District of New York

**PLAINTIFF STATES' PROPOSED SETTLEMENT NOTICE PLAN**

Kinsella Media, Rust Consulting and the State Attorneys General worked together to design a notice program that comports with due process and effective notification standards. It includes direct notice, paid media and earned media notice.

As detailed below, the vast majority of eligible consumers in the Plaintiff States will receive direct notice of the Settlements by email. This direct notice will be supplemented with paid media notice, and earned media outreach encompassing both traditional and social media outlets. Additionally, the claims administrator will maintain a website and call center which will provide in-depth information and assistance.

**Direct Email Notice**

Most E-book retailers require customers to create accounts and provide a valid email address before one can purchase an E-book. In addition, most E-book retailers track each and every E-book purchase. This information provides an unusual opportunity to deliver direct notice to approximately 95% or more of eligible consumers.

**E-book Retailers:** Amazon, Barnes & Noble, Apple, Kobo, Sony, and Google have each agreed to identify, in their own internal system, all individual customers who purchased qualifying E-books. In addition, each has agreed to send an initial notice email to each identified customer eligible to receive Settlement funds.

The Retailer Email will describe, in plain, easily understood language, the basic elements of Plaintiff States' lawsuit and give notice of the proposed Settlements and the consumer's right to opt-out. The email will also identify the website and toll-free phone number that eligible

consumers can go to or call in order to receive the long-form Detailed Notice. It also informs consumers of important deadlines.

There will be three slightly different versions of the initial Retailer Email depending on whether the consumer is eligible to receive an automatic credit, an automatic check, or a check pursuant to submitting a claim form. Each of these customers may also receive two additional email notices regarding the pending credit or check. The form and content of all the Retailer Emails are attached as Exhibit A.

### **Website**

The Claims Administrator will setup a dedicated notification website with the domain name, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). A Detailed Notice will be posted on the website and consumers will be able to both view and download this and other documents. The Detailed Notice will provide more information as well as answers to commonly asked questions. This website will also prominently feature important dates and procedures for submission of requests for exclusion, objections or notices of appearance for the Settlement Hearing. The form and content of the Detailed Notice is attached as Exhibit B.

### **Paid Media**

Given the extensive direct notice made possible by retailer participation in the notification process, paid media notice will be supplemental only. The purpose of the paid media notice as well as the earned and social media is to provide eligible consumers who do not receive direct notice with an opportunity to participate in the Settlements, and to provide those

who did receive notice with an additional opportunity to act on their rights. The supplemental media notice will include the following elements<sup>1</sup>:

**Internet Banner Advertising:** Given the nature of the purchases in this case, and the media habits of E-book owners, paid media notice will consist of banner advertising on popular websites and online ad networks. The banner advertisements will alert eligible consumers to the Settlement by using a bold headline. The headline will enable eligible consumers to quickly determine if they may be affected by the Settlements. When users click on the banner advertisement, they will be connected to the informational website that contains complete information about their legal rights. A sample banner advertisement is attached as Exhibit C.

The websites selected for inclusion in the plan are:



REAL

- 24/7 Real Media is a network that represents over 5,000 websites.
- Banner advertisements measuring 728 x 90, 300 x 250, and 160 x 600 pixels will appear, on a rotating basis, on websites that are part of the 24/7 Real Media Network for a total estimated 10,000,000 gross impressions.<sup>2</sup>
- The banner advertisements will appear for approximately 30 days.

The Facebook logo, consisting of the word "facebook" in a white, lowercase, sans-serif font, set against a dark gray rectangular background.

- Facebook is a social networking site used by millions of people to keep up with friends, upload photos, share links and videos, and learn more about the people they meet.
- Banner advertisements measuring 110 x 80 pixels will appear on Facebook for a total estimated 10,000,000 gross impressions.
- The banner advertisements will appear for approximately 30 days.

<sup>1</sup> Liaison Counsel and Kinsella Media will consult with the Settling Publishers to determine whether the Settling Publishers' parent media companies can offer reduced price or free paid media opportunities with equivalent reach, although the judgment as to whether such opportunities are actually equivalent shall remain solely with Liaison Counsel.

<sup>2</sup> Gross Impressions are the duplicated sum of audiences to the media vehicle containing the notice.



- Glam Media Network is a style, fashion, and celebrity network targeted to women.
- Banner advertisements measuring 728 x 90 pixels and 300 x 250 pixels will appear on Glam Media Network for a total estimated 2,000,000 gross impressions.
- The banner advertisements will appear for approximately 30 days.



- QuadrantOne is an ad network representing over 300 national and local online news and information sites (local news, local weather, and local sports).
- Banner advertisements measuring 728 x 90, 300 x 250, and 160 x 600 pixels will appear on QuadrantOne for a total estimated 5,500,000 gross impressions.
- The banner advertisements will appear for approximately 30 days.

## Google Display Network

- Google Display Network is a collection of websites that have partnered with Google, YouTube, and specific Google properties.
- Display banners will target literature and book blogs.
- The banner advertisements will appear for approximately 30 days.



- Pheedo (Really Simply Syndication Feed Advertising) is a network of RSS feeds to people who subscribe to timely updates from favored websites or to aggregate feeds from many sites into one place.
- Banner advertisements measuring 728 x 90, 300 x 250, 160 x 60, and 468 x 60 pixels will appear on Pheedo for a total estimated 1,000,000 gross impressions.
- The banner advertisements will appear for approximately 30 days.

**Mobile Device Advertising:** Additional notice will be provided through ads that would appear on mobile devices including tablets. Mobile advertisements will be substantially similar in

content to the banner advertisements and will also connect users who click on them to the informational website. The selected mobile websites are:



- Jumtap is a network of mobile sites and applications.
- Display ads will appear on mobile devices for a total estimated 1,500,000 gross impressions.
- The banner advertisements will appear for approximately 30 days.



- Millennial Media is a mobile and app platform that uses technology to target mobile consumer behavior attributes.
- Display ads will appear on tablets for a total of 2,000,000 gross impressions. (The exact size of the banners is to be determined.)
- The banner advertisements will appear for approximately 30 days.

**Print Media:** The supplemental paid media will include newspaper notice in the U.S. territories and commonwealths. The print Publication Notice will inform consumers in plain, easily understood language of the pendency of the lawsuit and of the proposed Settlements. It will also apprise consumers that a Detailed Notice is available upon request or by visiting the website. The form and content of the print Publication Notice is attached as Exhibit approximately a D. The Publication Notice will appear in the following newspapers:

- |                                    |                                    |
|------------------------------------|------------------------------------|
| • <i>El Nueva Dia</i>              | • <i>Saipan Tribune</i>            |
| • <i>El Vocero</i>                 | • <i>Samoa News</i>                |
| • <i>Pacific Daily News (Guam)</i> | • <i>St. Croix Avis</i>            |
| • <i>Primera Hora</i>              | • <i>St. Johns Trade Winds</i>     |
| • <i>Puerto Rico Daily Sun</i>     | • <i>Virgin Islands Daily News</i> |

### **Earned and Social Media**

In addition to paid media, outreach will be conducted to attempt to provide additional notice opportunities through earned media and social media. Earned media outreach will include the following elements:

**Press Release:** A press release on PR Newswire's US1 national wire, reaching more than 5,500 print and broadcast outlets and more than 5,400 websites and online databases will be distributed. The press release will highlight the toll-free telephone number and Settlement website address so that eligible consumers can obtain complete information.

**Blog Outreach:** Outreach will be made to over 300 blog outlets that cover topics related to books, book reviews, authors, writers, etc. Blogs will be selected based on relevance, unique visits per month, and influence rank.

The Social Media elements will include:

**Promoted Stories:** The press release will be further distributed to the target audience wherever they are interacting with relevant content, including RSS feeds, websites, tablets, and mobile devices. The content is rendered appropriately regardless of the destination. Content will be hosted on Pheedo's Promoted Stories page, and will be submitted to all major search engines driving organic search benefits.

**Social Posts:** A SocialPost™ will be included as part of the press release. The SocialPost™ will utilize both general and industry specific Tweeter accounts to attract additional audiences and online searchers to the notice.

### **Other Components**

In order to help search engine users locate the informational website about this case -- both those specifically looking for it and those looking for related topics -- Kinsella Media will purchase sponsored links to appear when searchers enter certain terms.



According to StatCounter.com, Google, Yahoo!, and Bing are the most frequently used search engines in the U.S.<sup>3</sup> Kinsella Media will contract with Google AdWords, Yahoo! Search Marketing, and Bing Microsoft Advertising to take advantage of people actively looking for information about the case online. Sponsored links could appear on the results page of keyword/phrase searches. Search ads are displayed along with search results when someone searches using one of the keywords. Ads appear under 'Sponsored links' in the side column of a search page, and may also appear in additional positions above the free search results.

### **Postcard Notice**

In the event that any of the retailers are unable to send email notice and to the extent that mailing addresses can be timely obtained, postcard notices with substantially similar information have been prepared to send via U.S. mail. At the time of this filing, it does not appear the postcard notices will need to be distributed.

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<sup>3</sup> StatCounter, Global Stats, *Top 5 Search Engines in the U.S.*, available at [gs.statcounter.com/#search\\_engine-US-monthly-200904-201005](http://gs.statcounter.com/#search_engine-US-monthly-200904-201005) (last visited Oct. 19, 2011).

# **ATTACHMENT A NOTICE PLAN**

## **EXHIBIT A (Direct Notices)**

1. 1<sup>st</sup> Email—From Retailers Providing Credits

**Benefits from an Attorney General E-books Settlement Fund**

***Para una notificación en Español, llamar o visitar nuestro website.***

Records indicate that you are eligible for a payment from Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books (“E-books”). [Retailer] has not been sued. It is providing this notice as a service to its customers.

**What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will receive automatic credits to your E-reader accounts. The credit can be used on any purchases of E-books or print books. The amount of your payment has been determined based on the qualifying E-book purchases identified by [Retailer] in your E-reader account.

**How to Receive your Benefit**

Because you are pre-qualified, you do not need to do anything to receive your credit. It will be applied to your account by [Retailer] automatically, and you will receive another email letting you know when it’s available. (You may receive more than one notice from different retailers.)

You also have the option to receive a check instead of your credit. You can request a check by calling 1-866-621-4153, or going to the Settlement website listed below, and clicking on the “check” option. Be sure to reference the Settlement ID number found at the bottom of this email. The Settlement website is:

**[www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

**Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can’t receive any benefits from the Settlements. If you don’t exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by **Month Day, Year**. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

A separate lawsuit against two other publishers and Apple, Inc. continues and is set for a trial in 2013. Your rights in the separate suit are not affected by any action you take in regards to these Settlements.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**For more detailed information:**

**Call 1-866-621-4153 or Visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

***Settlement ID Number:***

## 2. 2<sup>nd</sup> Email—Credit is ready

### **Automatic Credit Is Ready For Use**

On Month Day, Year, you received an email from us informing you that you were eligible for an automatic credit in your [Retailer] account. The credit results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). If you did not receive that email, you can read about the Settlements at [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

We are happy to inform you that the Court in charge of this case has approved the Settlements, and you have an automatic credit in your [Retailer] account. You can use your credit online to purchase print or E-books, regardless of publisher. If your account does not reflect this credit, please contact [Retailer]’s customer service.

This credit is valid for one year. If you have not used your credit within 90 days of the expiration of the credit, you will receive an email reminding you that it is still available.

If you have any questions about the Settlements, please visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

### 3. 3<sup>rd</sup> Email—Reminder about Credit

#### **Automatic Credit Will Expire In 90 Days**

You have previously received emails from us informing you that you were eligible for an automatic credit in your [Retailer] account, and that your credit was ready for use. The credit results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). For more information about the Settlements, please visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

Our records indicate that your credit will expire in 90 days, on Month Day, Year. You can use this credit to purchase any print or E-book, regardless of publisher. You will not be able to use your credit after it expires.

If you have any questions about your credit, please contact [Retailer]’s customer service.

Credit recipients - Postcards

4. 1<sup>st</sup> Postcard—General postcard about the Settlements

## **Benefits From an Attorney General E-books Settlement Fund**

Records indicate that you are eligible for a payment from three Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins, and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books ("E-books"). [Retailer] has not been sued. It is providing this notice as a service to its customers.

### **What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will receive automatic credits to your E-reader accounts. The credit can be used on any purchases of E-books or print books. The amount of your payment has been determined based on the qualifying E-book purchases identified by [Retailer] in your E-reader account.

### **How to Receive Your Benefit**

Because you are pre-qualified, you do not need to do anything to receive your credit. It will be applied to your account by [Retailer] automatically, and you will receive another postcard letting you know when it's available. (You may receive more than one notice from different retailers.)

You also have the option to receive a check instead of your credit. You can request a check by calling 1-866-621-4153, or going to the Settlement website listed below, and clicking on the "check" option. Be sure to reference the ID number found at the bottom of this postcard. The Settlement website is:

**[www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com)**

### **Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can't receive any benefits from the Settlements. If you don't exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by **Month Day, Year**. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**This notice is only a summary. For detailed information:  
Call 1-866-621-4153 or Visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com)**

**Settlement ID Number:**

Credit recipients - Postcards

## 5. 2<sup>nd</sup> Postcard—Credit is ready

### **Automatic Credit Is Ready For Use**

In Month Year, you received a postcard from us informing you that you were eligible for an automatic credit in your [Retailer] account. The credit results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). If you did not receive that postcard, please call 1-866-621-4153.

We are happy to inform you that the Court in charge of this case has approved the Settlements, and you have an automatic credit in your [Retailer] account. You can use your credit online to purchase print or E-books, regardless of publisher. If your account does not reflect this credit, contact [Retailer]’s customer service.

This credit is valid for one year. If you have not used your credit within 90 days of the expiration of the credit, you will receive a postcard reminding you that it is still available.

If you have any questions about the Settlements, please visit the Settlement Website at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

Credit recipients - Postcards

## 6. 3<sup>rd</sup> Postcard—Reminder about Credit

### **Automatic Credit Will Expire In 90 Days**

You have previously received postcards from us informing you that you were eligible for an automatic credit in your [Retailer] account and that your credit was ready for use. The credit results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). For more information about the Settlements, please visit the Settlement Website at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

Our records indicate that your credit will expire in 90 days, on Month Day, Year. You can use this credit to purchase any print or E-book, regardless of publisher. You will not be able to use your credit after it expires.

If you have any questions about your credit, please contact [Retailer]’s customer service.



Check recipients - Emails

## **Notices from Retailers offering Checks**

### **1. 1<sup>st</sup> Email—General email about Settlements**

#### **Benefits from an Attorney General E-books Settlement Fund**

*Para una notificación en Español, llamar o visitar nuestro website.*

Records indicate that you are eligible for a payment from Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books ("E-books"). [Retailer] has not been sued. It is providing this notice as a service to its customers.

#### **What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will receive automatic checks. The amount of your payment has been determined based on the qualifying E-book purchases identified by [Retailer] in your E-reader account.

#### **How to Receive your Benefit**

Because you are pre-qualified, you do not need to do anything to receive your check. It will be sent to you automatically, and you will receive another email letting you know when it's been mailed. (You may receive more than one notice from different retailers.)

#### **Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can't receive any benefits from the Settlements. If you don't exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by **Month Day, Year**. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**For more detailed information:  
Call 1-866-621-4153 or Visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

**Settlement ID Number:**

Check recipients - Emails

2. 2<sup>nd</sup> Email—Check is ready

**Your Check Is Ready To Be Mailed**

On Month Day, Year, you received an email from us informing you that you were eligible for a check as a result of Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). If you did not receive that email, you can read about the Settlements at [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

We are happy to inform you that the Court in charge of this case has approved the Settlements, and you will receive a check in the next 30 days.

If you have not received your check in 30 days, please call 1-866-621-4153 or email [info@EbooksAGSettlements.com](mailto:info@EbooksAGSettlements.com).

Your check is valid for one year from the date of distribution. You will receive an email within 90 days of the expiration of the check, reminding you to cash the check.

If you have any questions about the check, please visit the Settlement Website ([link to the website](#)).

Check recipients - Emails

### 3. 3<sup>rd</sup> Email—Reminder about Check

#### **Check Must Be Cashed In 90 Days**

You have previously received emails from us informing you that you would be issued a check. The check results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books ("E-books"). For more information about the Settlements, please visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

This email is to remind you that the check must be cashed by Month Day, Year. If you have not cashed your check, please do so as soon as possible.

If you have not received your check, please call 1-866-621-4153 immediately.

If you have any questions about your check, please call 1-866-621-4153 or visit the Settlement Website.

Check recipients - Postcards

4. 1<sup>st</sup> Postcard—General postcard about the Settlements

**Benefits from an Attorney General E-books Settlement Fund**

*Para una notificación en Español, llamar o visitar nuestro website.*

Records indicate that you are eligible for a payment from Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books (“E-books”). [Retailer] has not been sued. It is providing this notice as a service to its customers.

**What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will receive automatic checks. The amount of your payment has been determined based on the qualifying E-book purchases identified by [Retailer] in your E-reader account.

**How to Receive your Benefit**

Because you are pre-qualified, you do not need to do anything to receive your check. It will be sent to you automatically, and you will receive another postcard letting you know when it’s been mailed. (You may receive more than one notice from different retailers.)

**Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can’t receive any benefits from the Settlements. If you don’t exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by **Month Day, Year**. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**For more detailed information:  
Call 1-866-621-4153 or Visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

**Settlement ID Number:**

Check recipients - Postcards

5. 2<sup>nd</sup> Postcard—Check is ready to be mailed

**Your Check Is Ready To Be Mailed**

In Month, Year, you received a postcard from us informing you that you were eligible for a check as a result of Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). If you did not receive that postcard please call 1-866-621-4153.

We are happy to inform you that the Court in charge of this case has approved the Settlements, and within the next 30 days you will receive a check in the amount of \$XX.XX.

If you have not received your check in 30 days, please call 1-866-621-4153 or email [info@EbooksAGSettlements.com](mailto:info@EbooksAGSettlements.com).

Your check is valid for one year from the date of distribution. You will receive a postcard within 90 days of the expiration of the check, reminding you to cash the check.

If you have any questions about the check, please visit the Settlement Website at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

Check recipients - Postcards

## 6. 3<sup>rd</sup> Postcard—Reminder about Check

### **Check Must Be Cashed In 90 Days**

You have previously received postcards from us informing you that you would be issued a check. The check results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books ("E-books"). For more information about the Settlements, please visit the Settlement Website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

This postcard is to remind you that the check must be cashed by Month Day, Year. If you have not cashed your check, please do so as soon as possible.

If you have not received your check, please call 1-866-621-4153 immediately.

If you have any questions about your check, please call 1-866-621-4153 or visit the Settlement Website.

## Notices to Google Customers

### 1. 1<sup>st</sup> Email—General email about Settlements

#### **Benefits from an Attorney General E-books Settlement Fund**

*Para una notificación en Español, llamar o visitar nuestro website.*

Records indicate that you may be eligible for a payment from Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books (“E-books”). Google has not been sued. It is providing this notice as a service to its customers.

#### **What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will be able to file a claim to receive a payment. The amount of your payment will be determined based on the number of qualifying E-books you have purchased from Google.

#### **How to Receive your Benefit**

In order to receive a payment from the Settlements, you will need to submit a Claim Form. You can file a claim either online or by mail. Further information on how to file a claim is available at the Settlement Website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). Claim Forms must be postmarked by Month Day, Year. (You may receive more than one notice from different retailers which may or may not require you to file a Claim Form.) To complete your Claim Form, you will need your unique Settlement ID number listed at the bottom of this email.

#### **Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can't receive any benefits from the Settlements. If you don't exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by **Month Day, Year**. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**For more detailed information:  
Call 1-866-621-4153 or Visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

## 2. 2<sup>nd</sup> Email—Claim processed, check is ready

### **Your Check Is Ready To Be Mailed**

You filed a claim as part of the Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). We are happy to inform you that the Court in charge of this case has approved the Settlements, your claim has been processed, and you will receive a check in the next 30 days in the amount of \$XX.XX.

If you have not received your check in 30 days, please call 1-866-621-4153 or email [info@ebooksagsettlements.com](mailto:info@ebooksagsettlements.com).

Your check is valid for one year from the date of distribution. You will receive an email within 90 days of the expiration of the check, reminding you to cash the check.

If you have any questions about the check or your claim, please visit the Settlement Website ([link to the website](#)).



### 3. 3<sup>rd</sup> Email—Reminder about Check

#### **Check Must Be Cashed In 90 Days**

You previously received an email from us informing you that you would be issued a check. The check results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books ("E-books"). For more information about the Settlements, please visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com).

This email is to remind you that the check must be cashed by Month Day, Year. If you have not cashed your check, please do so as soon as possible.

If you have not received your check, please call 1-866-621-4153 immediately.

If you have any questions about your check, please call 1-866-621-4153 or visit the Settlement Website.

#### 4. 1<sup>st</sup> Postcard—General postcard about the Settlements

### **Benefits from an Attorney General E-books Settlement Fund**

*Para una notificación en Español, llamar o visitar nuestro website.*

Records indicate that you may be eligible for a payment from Settlements reached by the State Attorneys General with E-book publishers Hachette, HarperCollins and Simon & Schuster. The Settlements resolve an antitrust lawsuit about the price of electronic books (“E-books”). [Retailer] has not been sued. It is providing this notice as a service to its customers.

#### **What the Settlements Provide**

The Settlements create a \$69 million fund for payments to consumers who purchased qualifying E-books from April 1, 2010 through May 21, 2012. If the Court approves the Settlements, eligible consumers like you will be able to file a claim to receive a payment. The amount of your payment will be determined based on the number of qualifying E-books you have purchased from [Retailer].

#### **How to Receive your Benefit**

In order to receive payment from the Settlements, you will need to submit a Claim Form. You can file a claim either online or by mail. Further information on how to file a claim is available at the Settlement Website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). Claim Forms must be postmarked by Month Day, Year. (You may receive more than one notice from different retailers which may or may not require you to file a Claim Form.)

#### **Your Other Rights**

You can choose to exclude yourself from the Settlements and keep your right to sue on your own. If you exclude yourself, you can't receive any benefits from the Settlements. If you don't exclude yourself, you can submit objections about the Settlements.

Your written Exclusion Form or objections must be postmarked by Month Day, Year. Please visit the Settlement website for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**For more detailed information:**

**Call 1-866-621-4153 or Visit [www.EbooksAGSettlements.com](http://www.EbooksAGSettlements.com)**

5. 2<sup>nd</sup> Postcard—Claim processed, check is ready

**Your Check Is Ready To Be Mailed**

You filed a claim as part of the Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). If you did not receive that postcard, you can read about the Settlements at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

We are happy to inform you that the Court in charge of this case has approved the Settlements, your claim has been processed, and you will receive a check in the amount of \$XX.XX. If you have not received your check in 30 days, please call 1-866-621-4153 or email [info@EbooksAGSettlements.com](mailto:info@EbooksAGSettlements.com).

Your check is valid for one year from the date of distribution. You will receive a postcard within 90 days of the expiration of the check, reminding you to cash the check.

If you have any questions about the check or your claim, please visit the Settlement Website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

## 6. 3<sup>rd</sup> Postcard—Reminder about Check

### **Check Must Be Cashed In 90 Days**

You previously received a postcard from us informing you that you would be issued a check. The check results from Settlements reached with certain publishers in an antitrust lawsuit filed by the State Attorneys General about the price of electronic books (“E-books”). For more information about the Settlements, please visit the Settlement Website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

This postcard is to remind you that the check must be cashed by Month Day, Year. If you have not cashed your check, please do so as soon as possible.

If you have not received your check, please call 1-866-621-4153 immediately.

If you have any questions about your check, please call 1-866-621-4153 or visit the Settlement Website.

# **ATTACHMENT A NOTICE PLAN**

## **EXHIBIT B**

**(Long Form Notice)**

## UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

## If You Bought an E-book You Could Get a Payment from a \$69 Million Settlement Fund

- Three Settlements have been reached with certain publishers in an antitrust lawsuit filed by State Attorneys General about the price of electronic books (“E-books”).
- The lawsuit claims there was a conspiracy involving three of the nation’s top publishers and others to fix and raise retail prices of E-books. These three publishers have agreed to settle the lawsuit. A separate lawsuit with similar claims continues against two other publishers and Apple, Inc.
- If you purchased one or more E-books from April 1, 2010 through May 21, 2012 that were published by any of the five Publishers listed in Question 2 below, you may be eligible for a partial refund of the purchase price.
- The Settling Publishers deny they did anything wrong, but have agreed to settle to avoid the cost and risk of a trial.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THESE SETTLEMENTS |   |
|--|---|
| <b>GET A PAYMENT</b>                               | Depending on the retailer through which you bought your E-book(s), you may be eligible for an <i>automatic</i> credit or check payment or you may need to file a claim to receive a check. (See Question 12.) |
| <b>OBJECT</b>                                      | Write to the Court if you do not like one or more of the Settlements. (See Question 17.)  |
| <b>GO TO THE HEARING</b>                           | Ask to speak in Court about your opinions. (See Question 21.)   |
| <b>EXCLUDE YOURSELF</b>                            | Exclude yourself from one or more of the Settlements. Get no benefit from any Settlement from which you exclude yourself. (See Question 14.)  |
| <b>DO NOTHING</b>                                  | Depending on the retailer through which you bought your E-book(s), you will get an automatic credit or check, or you will get no payment. (See Question 22.)  |

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case has preliminarily approved the Settlements but still has to decide whether to finally approve the Settlements. Benefits will be provided if the Court approves the Settlements. Please be patient.

## WHAT THIS NOTICE CONTAINS

### **BASIC INFORMATION**

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1. What is this lawsuit about?
2. Who are the Publishers?
3. Why are there Settlements?

### **WHO IS INCLUDED IN THE SETTLEMENTS**

**Page 3**

4. How do I know if I am part of the Settlements?
5. What is an E-book?
6. What is an imprint?
7. How can I tell if my E-book purchases are included in the Settlements?
8. What if I'm still not sure if the Settlements include my E-book purchase(s)?
9. Why are the Attorneys General involved?

### **THE SETTLEMENTS' BENEFITS**

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10. What do the Settlements provide?
11. How much will my payment be?
12. What do I have to do to get my payment?
13. When will I get a payment?

### **EXCLUDING YOURSELF FROM THE SETTLEMENTS**

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14. How do I exclude myself from the Settlements?
15. If I exclude myself from a Settlement, can I still get benefits from that Settlement?
16. If I exclude myself from a Settlement, can I sue the Settling Publishers separately?

### **OBJECTING OR COMMENTING ON THE SETTLEMENTS**

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18. What's the difference between objecting and excluding?

### **THE COURT'S FINAL APPROVAL HEARING**

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19. When and where will the Court decide whether to approve the Settlements?
20. Do I have to come to the hearing?
21. May I speak at the hearing?

### **IF YOU DO NOTHING**

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22. What happens if I do nothing at all?

### **ADDITIONAL INFORMATION**

**Page 9**

23. How do I get more information?

## BASIC INFORMATION

### 1. What is this lawsuit about?

The antitrust lawsuit was filed by Attorneys General of 49 states, the District of Columbia and five U.S. territories and commonwealths, and claims there was a conspiracy involving three of the nation's top publishers and others to fix and raise retail prices of E-books.

These three Publishers ("Settling Publishers") have agreed to settle the lawsuit. The Settling Publishers deny they have done anything wrong but have agreed to settle to avoid the cost and risk of trial. The case is in the U.S. District Court for the Southern District of New York. It is called *Texas, et al. v. Hachette Book Group, et al.*, Case No.12-cv-6625. ("Et alia." is a Latin phrase that means "and others.") This Court has preliminarily approved the proposed Settlements and will consider whether to grant final approval on Month Day, Year. (See Question 19.)

A separate case continues against two additional Publishers ("Non-Settling Publishers") and Apple, Inc. This separate case is called *Texas, et al. v. Penguin Group, (USA) Inc., et al.*, Case No. 12-cv-03394, and is scheduled to go to trial in 2013, in the U.S. District Court for the Southern District of New York.

### 2. Who are the Publishers?

There are five publishers who, as a group, are referred to in this Notice as "Publishers".

The Settling Publishers are the following publishers:

- Hachette Book Group, Inc. ("Hachette");
- HarperCollins Publishers LLC ("HarperCollins"); and
- Simon & Schuster, Inc. and Simon & Schuster Digital Sales, Inc. ("Simon & Schuster").

The Non-Settling Publishers are the following publishers:

- Penguin Group (USA) Inc. ("Penguin"); and
- Holtzbrinck Publishers, LLC, known as Macmillan ("Macmillan").

### 3. Why are there Settlements?

The Court has not decided in favor of either side. The Attorneys General who brought the antitrust lawsuit think the Settlements are best for everyone who is affected. The Settling Publishers deny that they did anything wrong but have agreed to Settlements to avoid the time, expense, and uncertainty associated with continuing the case.



## WHO IS INCLUDED IN THE SETTLEMENTS?

### 4. How do I know if I am part of the Settlements?

You are included in the Settlements if:

1. You purchased an E-book that was published by one of the Publishers (all of the Publishers publish books under many different names, called imprints, *See* Question 6), **and**
2. Your purchase was made from April 1, 2010 through May 21, 2012, **and**
3. You were a resident of 1) a state other than Minnesota, 2) the District of Columbia, or 3) one of the five U.S. Territories and Commonwealths at the time of purchase. The billing address of the credit card you used to buy the included E-book(s) will be used to determine your residency.

Certain people or entities are not included in the Settlements, as follows:

1. Residents of Minnesota are not eligible to recover anything under the Settlements because the Minnesota Attorney General chose not to participate.
2. Residents of countries other than the United States and its territories and commonwealths are not included in the Settlements.
3. Only individuals are included. Business, governments, libraries, non-profits, and other entities are not included.
4. Rental E-books, free E-books, and E-books received as gifts are not included. (Only purchasers are included in the Settlements. If you received an E-book as a gift, you are not included. The person who purchased it for you may be included.)

### 5. What is an E-book?

In these Settlements, an E-book is an electronically formatted book designed to be read on a computer, a handheld device (including an e-reader or tablet), or other electronic device capable of visually displaying books. In these Settlements, an E-book is not an audio book.

### 6. What is an imprint?

Many of the Publishers have imprints or divisions within their companies that publish E-books that are included in the Settlements. For example, Simon & Schuster has the imprint Wall Street Journal Books. So, if you purchased one or more E-books from April 1, 2010 through May 21, 2012 that were published by any of the Publishers (including their divisions), you may be eligible for a payment or account credit. For a full list of all Publishers and their imprints, and instructions on how to determine which E-books you have purchased and which company published a particular E-book, please visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

### 7. How can I tell if my E-book purchases are included in the Settlements?

If you received a notice by email or postcard, you purchased at least one qualifying E-book and are included in the Settlements. Your purchases are based on the records of the retailer(s) through which you bought your E-book(s). (*See* Question 12 for how to get a payment.)

If you did not receive a notice, but think you may be included, you can research your purchases and the publishers of those E-books to determine whether you should file a Claim Form. More information on how to do so is available at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

#### **8. What if I'm still not sure the Settlements include my E-book purchase(s)?**

If you are still unsure if the Settlements include your E-book purchase(s), please visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com), email [info@EBooksAGSettlements.com](mailto:info@EBooksAGSettlements.com), or call 1-866-621-4153.

#### **9. Why are the Attorneys General involved?**

The Attorneys General of 49 states, the District of Columbia and the five U.S. territories and commonwealths filed this lawsuit. These Attorneys General made claims on behalf of their residents under federal antitrust law based on their authority to bring lawsuits on behalf of their citizens.

### **THE SETTLEMENTS' BENEFITS**

#### **10. What do the Settlements provide?**

The Settling Publishers have agreed to pay \$69.04 million into a fund to pay customers who purchased E-books published by any of the five Publishers. This money will be distributed if the Court approves the Settlements. The specific contributions to the Settlement Fund are as follows:

| <b>PUBLISHER</b> | <b>AMOUNT</b>   |
|------------------|-----------------|
| Hachette         | \$31.71 million |
| HarperCollins    | \$19.58 million |
| Simon & Schuster | \$17.75 million |

The Attorneys General worked with an expert economist who estimated that the amount of damages caused by the three Settling Publishers is approximately \$136 million. The Settlements equal \$69.04 million, which is approximately 51% of the damages estimated by the Attorney Generals' expert. The Settling Publishers believe that damages, if any, were substantially smaller than the amount calculated by the Attorneys General.

If you bought one or more E-books that are included in the Settlements, you will be eligible for a credit or check representing part of your purchase price for each qualifying E-book.

The Settlements also include agreements by the Settling Publishers to:

- End certain agreements relating to the sale of E-books that were entered into prior to April 11, 2012;
- Not place restrictions on retailers' ability to offer discounts on E-books for two years;

- Not share sensitive competitive information with each other for five years;
- Comply with antitrust laws and requirements, including the Department of Justice's Final Judgment in a federal case about the same matters at issue in this Attorneys General lawsuit;
- Train appropriate people in their companies about antitrust laws and regulations; and
- Comply with other related orders of the Court regarding antitrust issues or anticompetitive conduct.

The Settlements also pay attorney fees and expenses incurred by the Attorneys General. Funds to pay these amounts do not come out of the money that will be used to pay consumers.

A separate lawsuit against the two Non-Settling Publishers and Apple, Inc. continues and is set for trial in 2013. Your rights against the Non-Settling Publishers and Apple in the separate suit are not affected by any action you take in these Settlements. You do not need to exclude yourself from these Settlements to retain your rights against the Non-Settling Publishers and Apple in the separate suit.

#### 11. How much will my payment be?

At this time, it is unknown exactly how much of the Settlement Fund a purchaser of E-books will receive. The Attorneys General have submitted a "plan of distribution," which is a plan to divide the Settlement Fund among consumers. The Court will determine whether to approve this plan when considering final approval of the Settlements. If the Court approves the plan of distribution, it will be posted on the Settlement Website.

The amount of your credit or check will be affected by how many qualifying E-books you purchased. There will be three levels of payments, based on categories of books. While the exact amount to be paid per E-book in each category is not yet finalized, the best estimates of payments for each E-book you purchased are as follows:

- ***New York Times* bestsellers:** \$1.32 per E-book. These include titles that were *New York Times* bestsellers at any time, irrespective of when you purchased the E-book.
- **"Frontlist" titles:** \$0.36 per E-book. These E-books include any titles that were not *New York Times* bestsellers that you bought on or before the first anniversary of their initial publication date.
- **"Backlist" titles:** \$0.25 per E-book. These E-books include any titles that were not *New York Times* bestsellers that you bought after the first anniversary of the initial publication date.

In some cases with certain retailers, data may not be available to determine into which of these categories an E-book falls. In those cases, a blended rate will be used to calculate your payment.

#### 12. What do I have to do to get my payment?

What you must do to get a payment depends on the retailer(s) through which you bought qualifying E-books.

- E-book purchases through **Amazon, Barnes & Noble, Kobo, or Apple:** You received or will receive an email notice from the retailer. You will receive a credit in your account automatically if the Court approves the Settlements. You have the option of receiving a check if you do not want to receive an automatic credit in your account.
- E-book purchases through **Sony:** You received or will receive an email notice from Sony. You will receive a check automatically if the Court approves the Settlements.
- E-book purchases through **Google:** You received or will receive an email notice from Google. You must file a Claim Form, and on the Claim Form you must enter your Settlement ID number from the Google email in order to request a payment. If the Court approves the Settlements, your payment amount will be calculated and a check will be mailed to you. You can complete a Claim Form online at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). Or, you may complete and mail a hard copy Claim Form. You may download the hard copy Claim Form at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com) or request it by emailing [info@EBooksAGSettlements.com](mailto:info@EBooksAGSettlements.com) or calling 1-866-621-4153.
- E-book purchases through **any other retailer not listed above:** You must file a Claim Form detailing your purchases, in order to receive a check. You can complete a Claim Form online at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). Or, you may complete and mail a hard copy Claim Form. You may download the hard copy Claim Form at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com) or request it by emailing [info@EBooksAGSettlements.com](mailto:info@EBooksAGSettlements.com) or calling 1-866-621-4153.

If you bought qualifying E-books through Amazon, Barnes & Noble, Kobo, Apple, Sony, or Google, but you have not received an email informing you about the Settlements, please call 1-866-621-4153 or email [info@EBooksAGSettlements.com](mailto:info@EBooksAGSettlements.com).

The retailers that are providing notice or any account credit are doing so voluntarily for your convenience. No retailers have been sued in this case.

### 13. When will I get a payment?

Payments will be distributed if the Court grants final approval to the Settlements and after any appeals are resolved. If the Court approves the Settlements after a hearing on Month 00, 2013, there may be appeals. We don't know how much time it could take to resolve any appeals that may be filed.

## EXCLUDING YOURSELF FROM THE SETTLEMENTS

If you don't want money from one or more of the Settlements, then you must take steps to get out of the Settlement(s). This is called excluding yourself or "opting out."

### 14. How do I exclude myself from the Settlements?

To exclude yourself from a Settlement, you **must** complete an Exclusion Form, which is available at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com) or by calling 1-866-621-4153. You must complete, print, sign, and mail the completed Exclusion Form, postmarked no later than Month Day, Year to the Settlement Administrator at the following address:



E-books AG Settlements Exclusions  
PO Box 2825  
Faribault, MN 55021-8630

**15. If I exclude myself from a Settlement, can I still get benefits from that Settlement?**

No. You will not get any benefits from a Settlement if you exclude yourself from that Settlement. You can exclude yourself from a Settlement with one Settling Publisher, however, and participate in the Settlements with the other Settling Publishers.

For each Settlement you opt out of, your Settlement Payment will be reduced by a certain percentage:

- If you opt out of the Hachette Settlement, your Settlement Payment will be reduced by 46%.
- If you opt out of the HarperCollins Settlement, your Settlement Payment will be reduced by 28%.
- If you opt out of the Simon & Schuster Settlement, your Settlement Payment will be reduced by 26%.

**16. If I exclude myself from a Settlement, can I sue the Settling Publishers separately?**

If you exclude yourself, you can sue the Settling Publishers about the issues related to this case. If you do not exclude yourself, you give up your right to sue the Settling Publishers about the issues related to this case.

If you exclude yourself from these Settlements you may still participate in the separate lawsuit against the Non-Settling Publishers and Apple.

**OBJECTING TO THE SETTLEMENTS**

**17. How do I object?**

If you have not excluded yourself from a Settlement, you may object to any aspect of that Settlement, including the plan of distribution. To object, you must submit a letter that includes the following:

- Your name, address, and telephone number;
- A statement saying that you object to the Settlement(s) in *Texas, et al. v. Hachette Book Group, et al.*, Case No. 12-cv-6625;
- The Settling Publisher's name for each of the Settlements you are objecting to (Hachette, HarperCollins, and/or Simon & Schuster);
- The reasons you object to the Settlement(s), along with any supporting materials;

- Proof that you are an Eligible E-book Purchaser by providing a) your unique ID number found in your email or postcard notice of the Settlements, or b) names of books purchased, purchase date, and retailer; and
- Your signature.

You must submit your objection, postmarked no later than **Month Day, Year**, to these two addresses:

|  |   |
|--|---|
| Clerk of Court<br>U.S. District Court for the Southern<br>District of New York<br>500 Pearl Street,<br>New York, New York 10007-1312 | E-books AG Settlements Objections,<br>P.O. Box 2825<br>Faribault, MN 55021-8630 |
|--|---|

#### 18. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the Settlement(s). You can object to a Settlement only if you do not exclude yourself from that Settlement. Excluding yourself from a Settlement is telling the Court that you don't want to be part of the Settlement. If you exclude yourself from a Settlement, you have no basis to object to the Settlement because it no longer affects you.

### THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlements, including payments to consumers and to the states. You may attend, but you don't have to do so.

#### 19. When and where will the Court decide whether to approve the Settlements?

The Court will hold a final approval hearing at XX:00 x.m. on **Month Day, Year**, at the U.S. District Court for the Southern District of New York, located at 500 Pearl Street, New York, New York. The hearing may be moved to a different date or time without additional notice, so it is a good idea to check the website, [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

At this hearing the Court will consider whether each Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them at this time. After the hearing, the Court will decide whether to approve the Settlements. The Court's decision may be appealed. We do not know how long these decisions will take. Please be patient.

#### 20. Do I have to come to the hearing?

No. The Attorneys General will answer questions the Court may have. But, you may come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you submitted your written objection on time, to the proper address, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

**21. May I speak at the hearing?**

Yes. You may appear at the hearing, either on your own, or through an attorney you hire, to present any evidence or argument that the Court decides is proper and relevant. To appear, you must file a Notice of Appearance. Your Notice of Appearance must include:

- Your name, address, and telephone number;
- A statement saying that you are filing a Notice of Appearance to speak at the Final Approval Hearing in *Texas, et al. v. Hachette Book Group, et al.*, Case No. 12-cv-6625;
- An explanation of what you want to speak about;
- An attachment with any supporting documentation; and
- Your signature.

You must mail your Notice of Appearance, postmarked no later than **Month Day, Year**, to these two addresses:

|  |   |
|--|---|
| Clerk of Court<br>U.S. District Court for the Southern<br>District of New York<br>500 Pearl Street,<br>New York, New York 10007-1312 | E-books AG Settlements<br>PO Box 2825<br>Faribault, MN 55021-8630 |
|--|---|

**IF YOU DO NOTHING****22. What happens if I do nothing at all?**

What happens if you do nothing depends on the retailer(s) through which you bought E-books.

- If you bought qualifying E-books through **Amazon, Barnes & Noble, Kobo, or Apple**: You will receive a credit in your account automatically if the Court approves the Settlements. (See Question 12.)
- If you bought qualifying E-books through **Sony**: You will receive a check automatically if the Court approves the Settlements. (See Question 12.)
- If you bought qualifying E-books through **any other retailer not listed above**: You will not receive any benefits from the Settlements unless you file a Claim Form. (See Question 12.)

**ADDITIONAL INFORMATION****23. How do I get more information?**

The notice summarizes the proposed Settlements. More details are in the Settlement Agreements. You can get a copy of the Settlement Agreements at [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com). You may also write with questions to E-books AG Settlements Administrator, P.O. Box 2825, Faribault, MN 55021 or call 1-866-621-4153.

# **ATTACHMENT A**

## **NOTICE PLAN**

### **EXHIBIT C**

#### **(Web Banner Ad)**



# **If You Bought an E-Book**

***You May Be Eligible  
for a Payment  
From a \$69 Million  
Settlement Fund***

# **ATTACHMENT A NOTICE PLAN**

## **EXHIBIT D (Publication Notice)**

## **If You Bought an E-book You Could Get a Payment from a \$69 Million Settlement Fund**

Three Settlements have been reached with certain publishers in an antitrust lawsuit filed by State Attorneys General about the prices of electronic books ("E-books"). The lawsuit claims there was a conspiracy involving three of the nation's top publishers and others to fix and raise retail prices of E-books. These publishers have agreed to settle the lawsuit ("Settling Publishers") but deny they did anything wrong. A separate lawsuit with similar claims continues against two other Publishers and Apple, Inc.

### **Who is Included in the Settlements?**

You are included in the Settlements if:

1. You purchased an E-book that was published by Hachette, HarperCollins, Simon & Schuster, Penguin, or Macmillan (as well as all other names under which these publishers also publish E-books), **and**
2. The purchase was made from April 1, 2010 through May 21, 2012, **and**
3. You were a resident of 1) a state other than Minnesota, 2) the District of Columbia, or 3) one of the five U.S. Territories and Commonwealths at the time of purchase.

If you would like to review a full list of the publishers included, please visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com).

### **What Do the Settlements Provide?**

The Settling Publishers will contribute \$69.04 million into a Settlement Fund that will be distributed if the Court approves the Settlements. The Settlements also include agreements by the Settling Publishers to comply with antitrust laws, and certain orders of the Court and the U.S. Department of Justice.

If you purchased one or more qualifying E-books, depending on the retailer through which you purchased your E-books, you are eligible to:

- Receive an *automatic* credit into your E-book retailer account, unless you ask for a check,
- Receive an *automatic* check, or
- File a Claim Form to receive a check.

The Court must still approve the Attorneys' General plan to distribute the Settlement Fund. While the exact amount of payments per E-book is not yet known, there will be three levels of payments, based on categories of books. While the exact amount to be paid per E-book in each category is not yet finalized, the best estimates of payments for each E-book you purchased are as follows:

- ***New York Times bestsellers***: \$1.32 per E-book. These include titles that were New York Times bestsellers at any time, irrespective of when you purchased the E-book.
- ***"Frontlist" titles***: \$0.36 per E-book. These include any titles that were not *New York Times* bestsellers that you bought on or before the first anniversary of their initial publication date.
- ***"Backlist" titles***: \$0.25 per E-book. These include any titles that were not *New York Times* bestsellers that you bought after the first anniversary of their initial publication date.

**How to Get Benefits?**

If you have received notice by email or postcard that you are entitled to an automatic credit or check, you do not need to do anything to receive your payment. You will receive future communications about your credit or check. If you have not received notice, you should call 1-866-621-4153 or visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com) to learn more about the Settlements and decide whether to file a Claim Form. Claim Forms must be postmarked by **Month Day, Year**.

**Your Other Rights**

You can choose to exclude yourself from the Settlements. The exclusion must be in writing and postmarked by **Month Day, Year**. If you exclude yourself, you will not receive a credit or check. If you do not exclude yourself from a Settlement, you will not be able to sue the Settling Publishers for any claims at issue in this case. If you stay in a Settlement, you may object to it in writing, postmarked by **Month Day, Year**. The Detailed Notice explains how to exclude yourself or object, and an Exclusion Form is available online or by mail. The Court will hold a hearing on **Month 00, 2013, at x:xx x.m.** to consider whether to approve the Settlements. You or your own lawyer may ask to appear and speak at the hearing.

**This notice is only a summary. For detailed information:  
Call 1-866-621-4153 or Visit [www.EBooksAGSettlements.com](http://www.EBooksAGSettlements.com)**